COMMENTS OF

CHICAGO ACCESS CORPORATION "CAN TV"

Chicago Access Corporation ("CAN TV") is an independent nonprofit organization that gives every Chicagoan a voice on cable television by providing video training, facilities, equipment and channel time for Chicago residents and nonprofit groups and by providing coverage of events relevant to the local community. CAN TV is utilized by over a thousand local residents each year and its five local noncommercial cable channels CAN TV19, 21, 27, 36 and 42 reach more than one million viewers in the city of Chicago.

CAN TV's channels reside on the cable systems of all cable providers in Chicago and exist as part of franchise agreements between local franchising authorities and the cable operators. CAN TV channels are carried on the basic service tier of the cable system.

Over 7,000 hours of local, original PEG programming is produced each year through CAN TV and over a thousand people are trained annually to use production equipment and to use services especially designed for use by nonprofit organizations. This activity enables a diverse range of communication in the local community and affords nonprofits an outlet for client and volunteer recruitment, outreach and public education. CAN TV services help bridge the "digital divide," providing a communications outlet to local residents and nonprofit groups. and broadening the diversity of voices and issues on local television.

I. PEG ACCESS PROVIDES A MODEL FOR LOCALISM THAT COULD BE USED FOR BROADCAST, SATELLITE AND IP-ENABLED MEDIA.

The development of PEG access channels, programming, equipment and services -adequately funded in many communities by cable operators and local government -- provides a
model for localism that could be used for broadcast, satellite and IP-enabled media. Through a
locally accountable process, broadcast, broadband wireline, wireless, and satellite transmission
capacity --along with financial contributions to a "Community Media Fund" by broadcast, cable,
satellite and other media service providers -- could be set aside to support local efforts to
empower citizens as "sources of information in the electronic marketplace." Local oversight of
such public service media resources -- including radio frequencies, cable- and satellite-delivered
channels, and other outlets -- is an essential principle from the cable access model that could be
used.

Cable franchising authorities collect compensation for the private commercial use of public rights-of-way by media corporations. Drawing from that experience, mandatory set asides of local media resources and spectrum should be standardized at ten percent to compensate for private use of public media assets -- similar to the policy of "public green space" set aside for local communities by private land developers. We need *electronic green space* to be set aside in our current strip mall of commercial media.

Where franchising authorities have negotiated agreements with cable operators to adequately address local needs, community groups and individuals from all walks of life now produce original, non-commercial, <u>local</u> programming each year. Over one million hours are produced on cable systems in communities from coast to coast, in large cities such as New York

City and Chicago and in smaller communities such as Germantown, Tennessee and Monterey, California.

Cable access programmers have many exceptional stories to tell about their efforts and daily achievements in presenting "programming that is responsive to the interests and needs of their communities." The FCC could help to fulfill its educational role by distributing information about such local programming activities that are occurring throughout the U.S. on broadcast and cable access stations. Such examples could inspire similar efforts in other communities.

II. COMMERCIAL MEDIA ALONE DO NOT ADEQUATELY SERVE LOCAL COMMUNITY NEEDS AND INTERESTS, AND CONSOLIDATED OWNERSHIP EXACERBATES THE PROBLEM.

With very few exceptions, the commercial media marketplace does not currently support non-commercial speech. While a few examples of responsible and admirable efforts by broadcasters (e.g., the Hearst-Argyle stations) have been presented with great pride to the FCC during its Localism hearings, continuation of the Commission's permissive attitude regarding ownership consolidation could easily lead to the demise of these few remaining points of light. What would happen if another media corporation -- one with a very different local programming philosophy -- decided to buy the Hearst-Argyle group? As recent consolidation history reveals, the help wanted ads would soon be scrutinized by many highly regarded but no longer needed journalists, fresh victims of the consolidation frenzy.

PEG access veterans have had first-hand experience with the effect of media consolidation on local programming efforts. Until they were bought in the 1990s, cable MSOs like American Cablesystems and Continental Cablevision offered a relatively welcoming

approach to local programming in many of the communities that they served. The corporate leadership of those firms included individuals who strongly supported the development of local programming activities, and often regarded such programs as important elements of the company's effort to stand apart from their competitors. That attitude is now a distant memory. The top three cable MSOs that currently control well over half (almost 40 million) of the cable subscribers in the U. S. -- Comcast, Time Warner and Cox -- have lengthy track records of actively and ardently opposing efforts by communities to adequately develop and support PEG Access operations. (Skeptics should contact local government officials in San Jose and other Bay Area communities in California to hear how Comcast has been fighting such efforts.)

Local communities require their own voices. Congress and the FCC must protect local media and uphold the public interest. Without this intervention, the needs and interests of distinct local communities, especially lower-income people and minority groups who lack buying power, are ignored or misrepresented as a result. The lack of strong public interest requirements hampers the range of political discourse, restricts the diversity of viewpoints, and results in a media that does not reflect the community. The best way to promote locally-oriented programming is to set aside bandwidth and spectrum and secure adequate funds to support the development of a variety of non-commercial, public service media in every community.

III. LOCALISM PROVIDED BY PEG

The lack of local public affairs programming on traditional media outlets has been well-documented. In April 1998, the Media Access Project and the Benton Foundation published a report, *What's Local about Local Broadcasting?* (www.benton.org/Television/whatslocal.html), that surveyed stations in selected markets regarding the amount of local public affairs programming

aired weekly. The survey found that, in the five markets examined (Chicago, IL; Phoenix, AZ; Nashville, TN; Spokane, WA; and Bangor, ME), 40 commercial broadcasters provided 13,250 total hours of programming - just 0.35% (46.5 hours) were devoted to local public affairs over a two-week period. Moreover, the survey found that 35% of the stations provided no local news, and 25% offered neither local public affairs programming nor local news. In Chicago, the 12 commercial stations surveyed provided less than ½ of 1% of local public affairs programming.

An expanded Benton Foundation study done in early 2000

(www.benton.org/publibrary/television/lpa.pdf) looked at 24 markets and undertook a random sample of 112 commercial broadcast stations to analyze local public affairs on those stations.

The study found that 0.3 percent of the total commercial broadcast time within these markets was devoted to local public affairs programming.

In November of 2003, the Alliance for Better Campaigns published a study on local television (http://bettercampaigns.org/reports/display.php?ReportID=12) that found the same result in six cities where the FCC held hearings on localism. The study found that local public affairs accounted for 0.4% of the programming on the 45 local television stations studies in six cities.

The "Local TV Coverage of the 2002 Elections" report

(http://learcenter.org/pdf/LCLNAReport.pdf) by the Lear Center Local News Archive illustrates
-- in sobering detail --how local broadcast TV stations have largely abandoned any real efforts at serving local community needs and interests.

In contrast to these dismal findings, an example of the local and diverse interests served by PEG is CAN TV, the public access organization in Chicago. On a \$2.5 million annual

budget, CAN TV has a total of 140 hours weekly of original, local programs on its channels. That figure includes 24 hours each week of live call-in programs by local nonprofit groups around issues related to immigration, housing, health, AIDS, domestic violence, gay/lesbian and a wide range of other issues. An additional seven hours weekly includes local coverage of town hall meetings, public forums, and community and civic events. In contrast, WTTW, Chicago's local PBS station, averages a little over 6 hours of local programming a week with a \$35 million annual budget.

Since its founding in 1983, CAN TV has become an essential means of information ensuring that Chicago citizens have a voice on cable television by supporting training, equipment and channel time for Chicago's diverse citizens and groups. CAN TV operates five noncommercial channels that are 95% local. It supports television use by Chicago's 8,000 nonprofit organizations, 75% of which have budgets of under \$250,000. Its channels help viewers find jobs, locate HIV/AIDS and domestic violence counseling, access art and educational resources, volunteer for nonprofits, interact with local public officials, and experience a diversity of viewpoints. CAN TV is an award-winning, highly successful, independent nonprofit. For more information, go to www.cantv.org

IV. <u>The FCC Should Commission Studies Which Evaluate the Policies and Practices</u> of PEG Access and The Regulatory Goal of Localism

The current Notice of Inquiry states that the Commission seeks "comment on any other rules, policies or procedures not specifically reviewed below, that might be relevant to our objectives." (p. 4) A review of the NOI clearly indicates that, for the most part, the Commission has limited its consideration of policies on localism to those related to structural and behavioral

rules for licensed broadcasters with no consideration whatsoever of the larger communications framework, which includes non-commercial media, like PEG access. Considering that the goal of providing service to local communities is primary for many non-commercial media organizations, any thorough evaluation of what policies and practices might best promote localism should include an evaluation of non-commercial media like PEG access. CAN TV strongly urges the Commission to rectify this tremendous oversight by including PEG experts in hearings, evaluating successful models of PEG access in promoting localism, comparing and contrasting these practices and their outcomes with those of commercial broadcasters, and exploring the potential for expanding the PEG access model across other media platforms.

CONCLUSION

Chairman Powell included this comment in his statement that accompanied the NOI: "Fostering localism is one of this Commission's core missions and one of three policy goals, along with diversity and competition, which have driven much of our radio and television broadcast regulation during the last 70 years." CAN TV believes that the best way to "foster localism" and promote locally-oriented programming is to ensure local and diverse ownership, and to set aside bandwidth and spectrum with adequate operating support for non-commercial, public service media in every community.

Local public interests are at risk as Congress and the FCC reshape the regulatory landscape for media. The federal government must have meaningful regulations in place to protect the public interest. State and local governments in communities across America must have a template to follow that ensures local needs and interests will be met.

As the federal government continues to consider governmental responsibilities in the area of media reform, PEG access provides an exemplary model of how services essential to the

public welfare can be provided. In the current PEG model, decisions about the operation of PEG access channels and facilities are made entirely at the local level. What is needed is a stronger federal regulatory framework to protect public access. With strong federal regulations to protect PEG, CAN TV believes that this simple and effective regulatory model should be applied to all media service-providers, to help ensure that programming reflects local interests and meets local needs.

Respectfully submitted,

Barbara Popovic Executive Director Chicago Access Corporation ("CAN TV")

October 19, 2004